



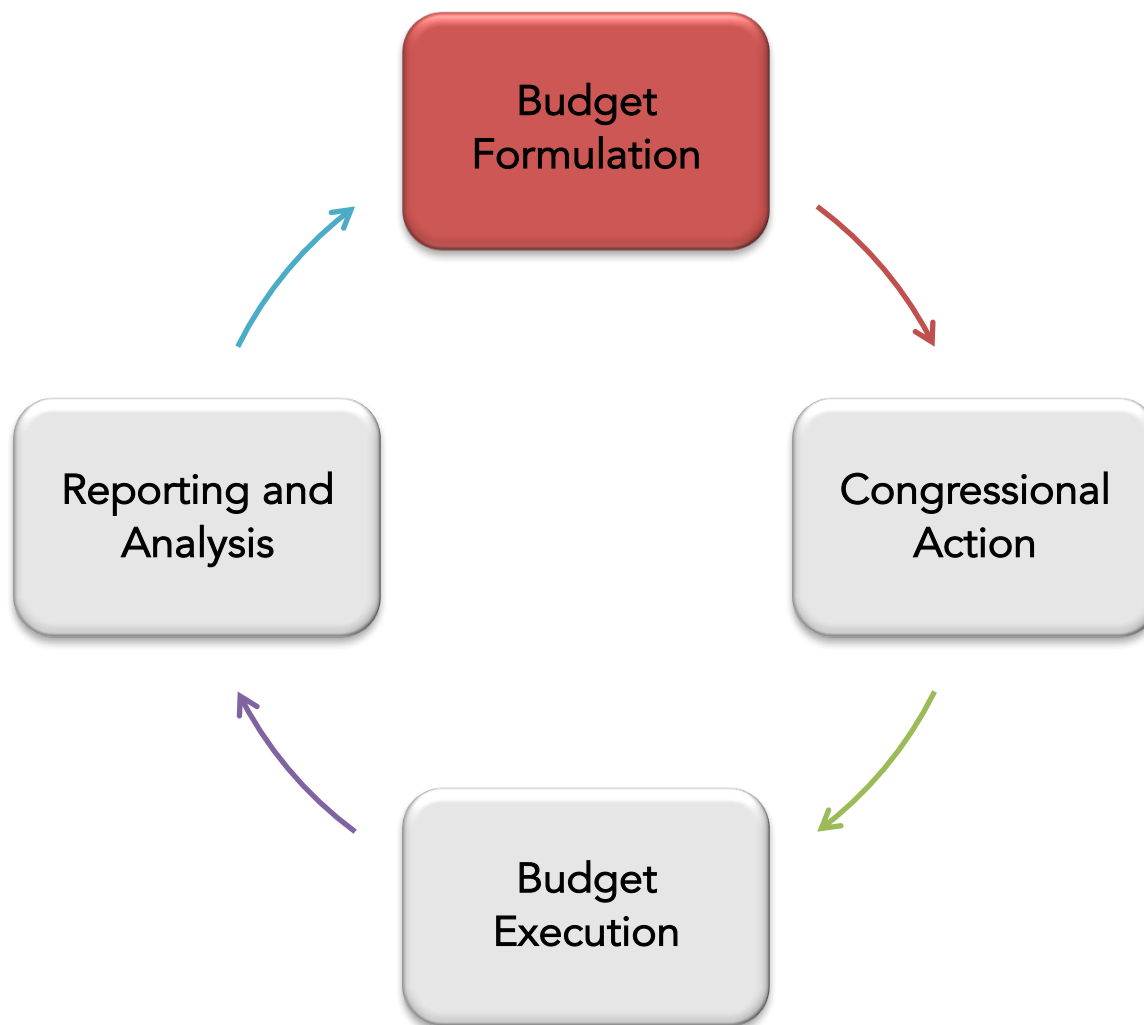
National Domestic Communications Assistance Center (NDCAC)

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The Circle of Life





The Budget Process – A Bottom Up View

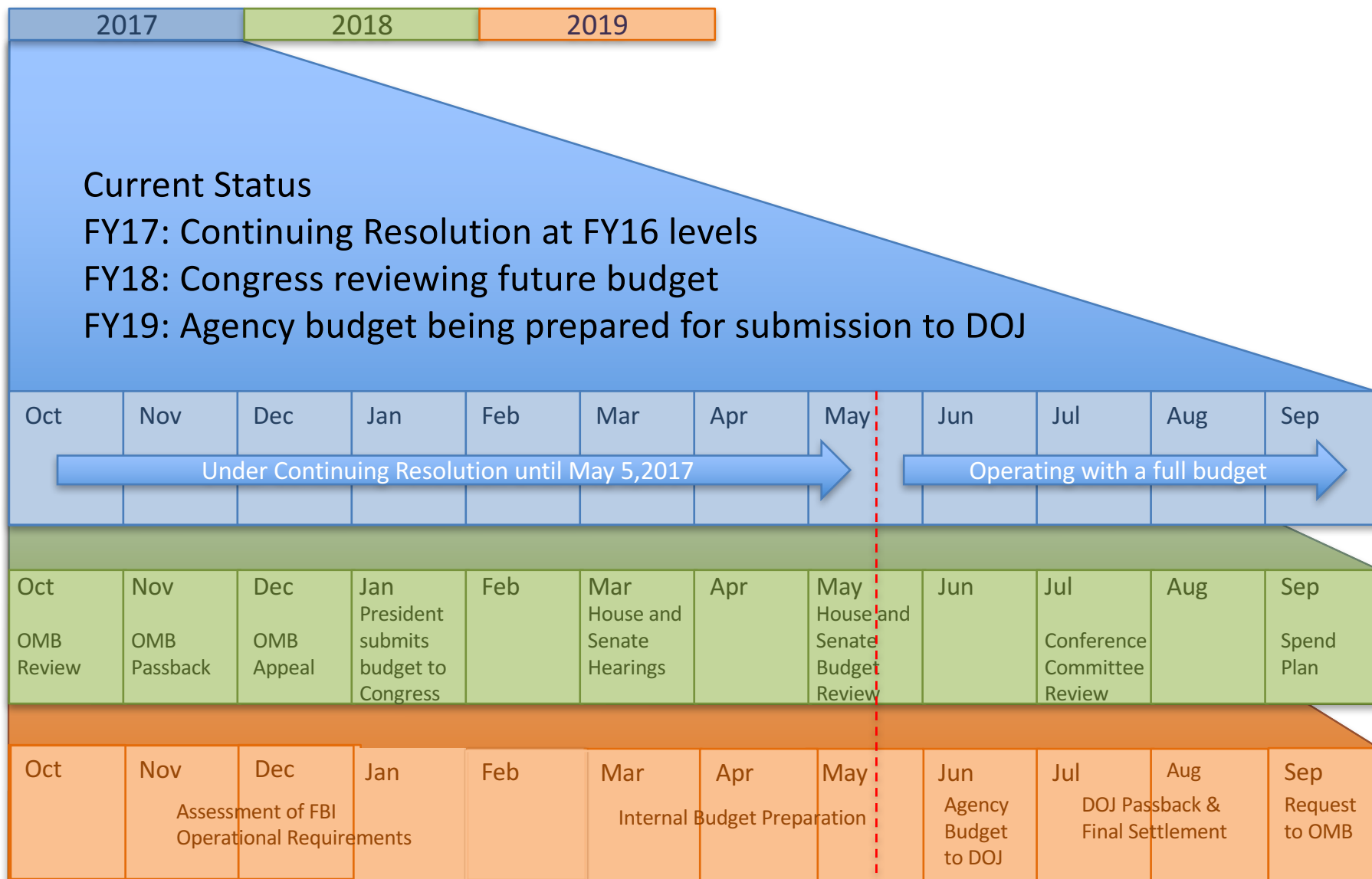


- The FBI receives finances from many sources and processes to include:
 - Annual Appropriations (Salaries and Expenses, Construction)
 - User Fees (Name Checks, Fingerprint Record Processing)
 - Special Projects (Advanced Wireless Services Auctions)
 - Other Government Agencies (Economy Act Transfers)
 - Forfeiture Funds (DOJ Asset Forfeiture Fund)
 - DoJ Working Capital Fund
- Budgetary authority is typically annual (10/01/16 – 09/30/17) but may be No-Year (Available Until Expended) or Multi-Year (2014-2016).
- The FBI's budget execution process manages the current year, Fiscal Year (FY) 2017 and five prior years, FY12 – FY16
- The FBI's budget formulation process manages the current year, FY17, and two years forward, FY18 and FY19.



The Budget Process

Fiscal Year



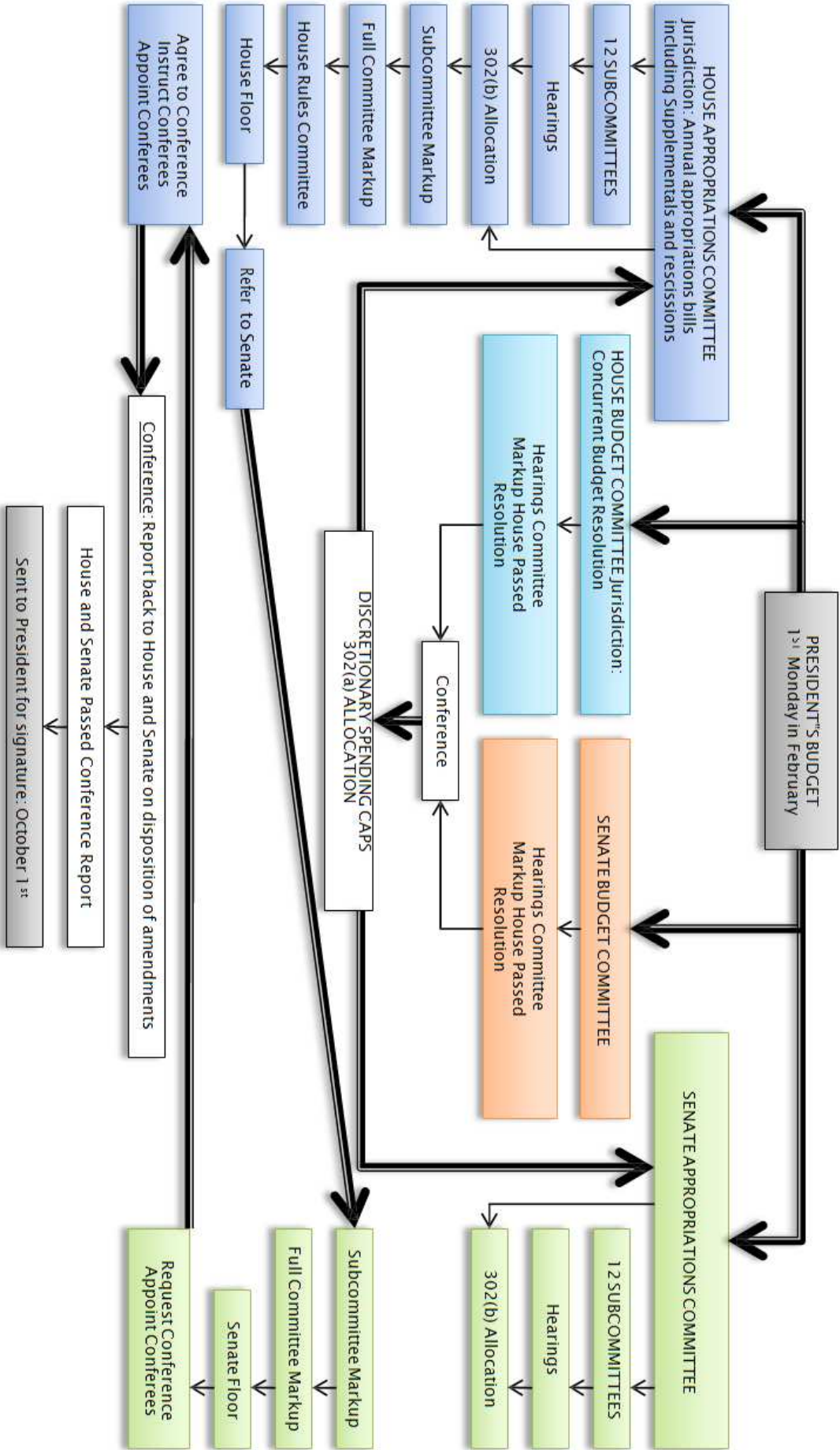


The Budget Process

During the annual budget cycle, if it has a need, the NDCAC can request additional future funding through the budget formulation process.

- NDCAC Submission
 - OTD Submission
 - Science & Technology Branch Submission
 - Finance Division/FBI Submission
 - Department of Justice Submission
 - Office of the Director of National Intelligence Submission
 - Office of Management and Budget Submission
 - President's Budget Submission
 - Congressional Submissions/Marks/Conference Report
 - Presidential Signature
- In each of the above steps, requests can be either included or eliminated.
- The FBI assesses all Divisional submissions and prepares a Bureau-wide request for submittal to Department of Justice (DOJ).
- DOJ works with FBI through a "passback" process to finalize Agency (DOJ) submission to the Office of Management and Budget (OMB) and ODNI.
- DOJ is the final arbiter of what is included in the submission to OMB and ODNI.
- Office of Management and Budget is part of the Executive Office of the President

Appropriations Process





The Budget Process - Congress

- The President and OMB accept budget requests from federal agencies (e.g., DoJ) for submittal to Congress; and decide to either include, eliminate, or adjust requests.
- After the President submits the budget request, the House and Senate Committees on the Budget each write and vote on their own budget resolutions; and decide to either include, eliminate, or adjust requests.
- The House and Senate Appropriations Committees are responsible for determining the precise levels of or allowed spending for all discretionary programs.
- The Appropriations Committees in both the House and Senate are broken down into twelve (12) smaller appropriations subcommittees.
- The full House and Senate then debate and vote on appropriations bills from each of the 12 subcommittees.
- After House and Senate pass their versions of each bill, a conference committee meets to resolve differences between versions.
- After a reconciled version of the bill is created, the House and Senate vote again – on a bill that is identical in both chambers.
- After passing both the House and Senate, each appropriations bill goes to the President for signature.



Appropriations Sub-Committees

Each one is responsible for the corresponding appropriations bill

1. Agriculture, Rural Development, Food and Drug Administration, and Related Agencies
2. **Commerce, Justice, Science, and Related Agencies**
3. Defense
4. Energy and Water Development
5. Financial Services and General Government
6. Homeland Security
7. Interior, Environment, and Related Agencies
8. Labor, Health and Human Services, Education, and Related Agencies
9. Legislative Branch
10. Military Construction, Veterans Administration, and Related Agencies
11. State, Foreign Operations, and Related Programs
12. Transportation, Housing and Urban Development, and Related Agencies

Omnibus – when all 12 bills are combined into one bill (omni = all)

Minibus – when multiple bills are combined into one



Budget Reductions

- Budget reductions follow a similar (though reverse order) process to budget submissions.
- Congressional budget decisions are implemented from the top down
 - OMB
 - DOJ
 - FBI
 - OTD
 - NDCAC
- At each stage, reductions are allocated for the level directly below – e.g.:
 - DOJ allocates reductions for the FBI
 - OTD allocates reductions for the NDCAC
- OTD can reallocate funds based on the needs of the Division regardless of budget reduction or increase.
- Sequestration
 - “The sequester” is an across-the-board spending cut designed in 2011 (Budget Control Act).
 - It resulted in \$109 billion of annual spending cuts each year from FY2013 through FY2021.
 - The FBI’s share of the FY2013 budget cut was \$717 million.



NDCAC Budget

NDCAC's Fiscal Year 2012 budget:	\$ 8,244,000	
NDCAC's Fiscal Year 2013 budget:	13,147,740	Annualization and ATB
NDCAC's Fiscal Year 2014 budget:	12,201,918	Sequestration Cut
NDCAC's Fiscal Year 2015 budget:	12,201,918	
NDCAC's Fiscal Year 2016 budget:	11,701,998	
NDCAC's Fiscal Year 2017 budget:	11,441,998	

- The NDCAC's expenditures include:
 - Contracted personnel
 - Training and travel
 - Conferences



Budgetary Terms

- **Adjustment to Base** – Funding authorized to support inflationary cost increases.
- **Base** – Permanent recurring funding required to keep an entity at a base line of functioning.
- **Budget Authority** – Authority provided to enter into obligations that will result in outlays of Federal funds.
- **Conference Report** – The compromise product negotiated by the conference committee (between both chambers of Congress).
- **Continuing Resolution (CR)** – Legislation in the form of a joint resolution enacted by Congress to provide budget authority for Federal agencies to continue in operation until the regular appropriations acts are enacted. For FY17: 10/1-12/9, 12/10-4/28, 4/29-5/5, 5/5-9/30 final budget.
- **Enhancement** – An increase in funding to initiate a new program or expand an existing one.
- **Execution** – The spending of funds and associated activities used to monitor obligations and outlays. Follows authorization, apportionment, and allocation.
- **Formulation** -The phase in which the organization drafts its budget and the agency consolidates and prepares the budget for the President and Congress. This is a process used for obtaining funding, personnel, and authorities to support future program needs.
- **Hollow work-year** – A workyear which is authorized but lacks sufficient salary funding to fill. Usually associated with an exercise to cut positions that are not funded.
- **Mark** - The process by which congressional committees and subcommittees debate, amend, and rewrite proposed legislation.
- **Offset** – Resources given up to off set enhancements.
- **Passback** – A list of program enhancements supported, appeal procedures, and questions.
- **Recurring Funding** – The amount of money the program would like to come back after the first year enhancement.
- **Reduction** – A cut in base resources.
- **Rescission** – The cancellation of budget authority previously provided by Congress.
- **Spring Call** – OTD/FBI's internal request for program enhancements to DOJ.

National Domestic Communications Assistance Center

